

**AGREEMENT FOR INTERIM FUNDING OF REMEDIAL INVESTIGATION AND
FEASIBILITY STUDY AT UPPER COLUMBIA RIVER SITE**

1. This Agreement is made and entered into by the United States, on behalf of the United States Environmental Protection Agency ("EPA"), and by Teck Cominco American Incorporated ("TCAI") (the United States and TCAI are collectively referred to herein as "the Parties"). This Agreement concerns the Upper Columbia River Site ("Site") located in eastern Washington, within the United States, as defined in Paragraph 5, below.
2. On December 11, 2003, EPA issued a Unilateral Administrative Order under authority of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9601, *et seq.*, ordering Teck Cominco Metals, Ltd., ("TCM") to perform a Remedial Investigation and Feasibility Study ("RI/FS") at the Site. Neither TCM nor TCAI admits to any liability under CERCLA with respect to the Site, and as a Canadian company which contends that it operates only in Canada, TCM denies that it is legally obligated to comply with EPA's Unilateral Administrative Order. Nonetheless, the United States and TCM (and TCAI) are currently engaged in negotiations concerning the performance and funding of the RI/FS.
3. The Parties' objectives in entering into this Agreement are to make certain funding available to EPA for use in conducting a portion of the RI/FS at the Site and to ensure that the amount of funding provided is credited towards the liability, if any, of TCM for the Site. This is a partial settlement agreement, with no admission of liability and full reservations of claims (subject to the credit) and defenses by the Parties. Neither the nature, existence of, execution of, payments made nor actions undertaken by TCM or TCAI in accordance with this Agreement constitute an admission of any liability by TCM or TCAI, and this Agreement will not be admissible into evidence for any reason other than to enforce its terms.
4. Solely for the limited purpose of an action to enforce its obligations under this Agreement, TCAI consents to personal jurisdiction in the United States District Court for the Eastern District of Washington.
5. Definitions. Whenever terms listed below are used in this Agreement, the following definitions shall apply:
 - a. "Day" shall mean a calendar day. In computing any period of time under this Agreement, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until the close of business of the next working day.
 - b. "EPA" shall mean the United States Environmental Protection Agency and any successor departments, agencies, or instrumentalities of the United States.
 - c. "EPA Hazardous Substance Superfund" shall mean the Hazardous Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.

d. "Future Response Costs" shall mean all costs, including, but not limited to, direct and indirect costs, beginning from the Effective Date of this Agreement, that the United States incurs in conducting the RI/FS for the Site, including, but not limited to, reviewing or developing plans, reports and other items, or otherwise implementing or overseeing the RI/FS, payroll costs, contractor costs, travel costs, and laboratory costs.

e. "Site" shall mean the Upper Columbia River Site, which consists of the areal extent of hazardous substances contamination within the United States, in or adjacent to the Upper Columbia River, including the Franklin D. Roosevelt Lake (hereinafter "Lake Roosevelt"), from the border between the United States and Canada downstream to the Grand Coulee Dam and all suitable areas in proximity to the contamination necessary for implementation of response actions.

6. Payment. Within five (5) days after the Effective Date of this Agreement, TCM or TCAI shall pay \$500,000 to EPA in pre-payment of Future Response Costs. The total amount to be paid by TCM or TCAI shall be deposited in the Upper Columbia River Site Special Account, within the EPA Hazardous Substance Superfund.

7. The funds paid by TCM or TCAI under this Agreement shall be retained and used by EPA to conduct or finance Future Response Costs at or in connection with the Site performed after the Effective Date of this Agreement. Specifically, these funds will be applied by EPA to the ongoing data evaluation project at the Site conducted pursuant to the attached "Work Plan Transmittal." The overall purpose of the data evaluation project is to organize, summarize, and evaluate data collected by EPA during the RI/FS. This evaluation will result in a report and/or other product, all of which shall be made available to TCM and TCAI concurrently with being made available to EPA. If EPA does not use the entire \$500,000 for the data evaluation project, the remaining funds will be used by EPA for its other future response actions at or in connection with the Site.

8. Payment shall be made to EPA by Electronic Funds Transfer ("EFT") in accordance with current EFT procedures to be provided to TCAI by EPA Region 10, and shall be accompanied by a statement identifying the name and address of the party(ies) making payment, the Site name, the EPA Region Site/Spill ID #106X, and EPA docket number 10-2006-0219.

9. Notice of the payment shall be sent simultaneously to:

Superfund Accounts Receivable
EPA Cincinnati Finance Center
MS-NWD
Cincinnati, Ohio 45268

10. Credit. The amount paid by TCM or TCAI pursuant to this Agreement shall be credited against the ultimate liability of TCM and/or TCAI, if any, for future response costs incurred by EPA at this Site.

11. Effective Date. The effective date of this Agreement ("Effective Date") shall be the date upon which EPA signs the Agreement.

12. Signatories. Each signatory to this Agreement certifies that he or she is authorized to enter into the terms and conditions of this Agreement and to bind legally the party that he or she represents.

IT IS SO AGREED:

FOR THE UNITED STATES OF AMERICA:

Date: 2/27/06 By: Michael Bogert / MB
Michael Bogert
Regional Administrator, Region X
U.S. Environmental Protection Agency

Date: 2/24/06 By: William D. Brighton
William D. Brighton
Assistant Chief, Environmental Enforcement Section
Environment & Natural Resources Division
U.S. Department of Justice

FOR TECK COMINCO AMERICAN INCORPORATED:

Date: 2/22/06 By: C. Bruce DiLuzio
C. Bruce DiLuzio
Vice President, Law and Administration
Teck Cominco American Incorporated